

SBA Form 1502 Reporting

Presented by:
Colson Services Corp.

SBA Form 1502 Reporting

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SBA Form 1502 Affected Population

- ⊕ Mandatory on all 7(a) loans with an outstanding SBA guaranty, regardless of payment activity.
- ⊕ Promptly notify SBA of cancelled or withdrawn loans.
- ⊕ Reporting period includes the first calendar day through the last calendar day of the prior month.



SBA Form 1502 Processing Cycle

Some dates may vary
depending on
business days



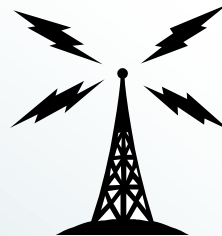
1st
SBA Import File received
by Colson

3rd
SBA established
1502 due date



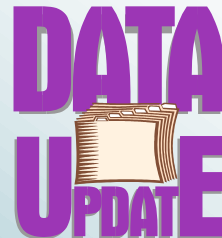
5-8th
SBA's two business day grace
period may fall

20th
First Export File -Transmission
of 1502 data to SBA begins



25th & 29th
Transmission of
supplemental files to SBA

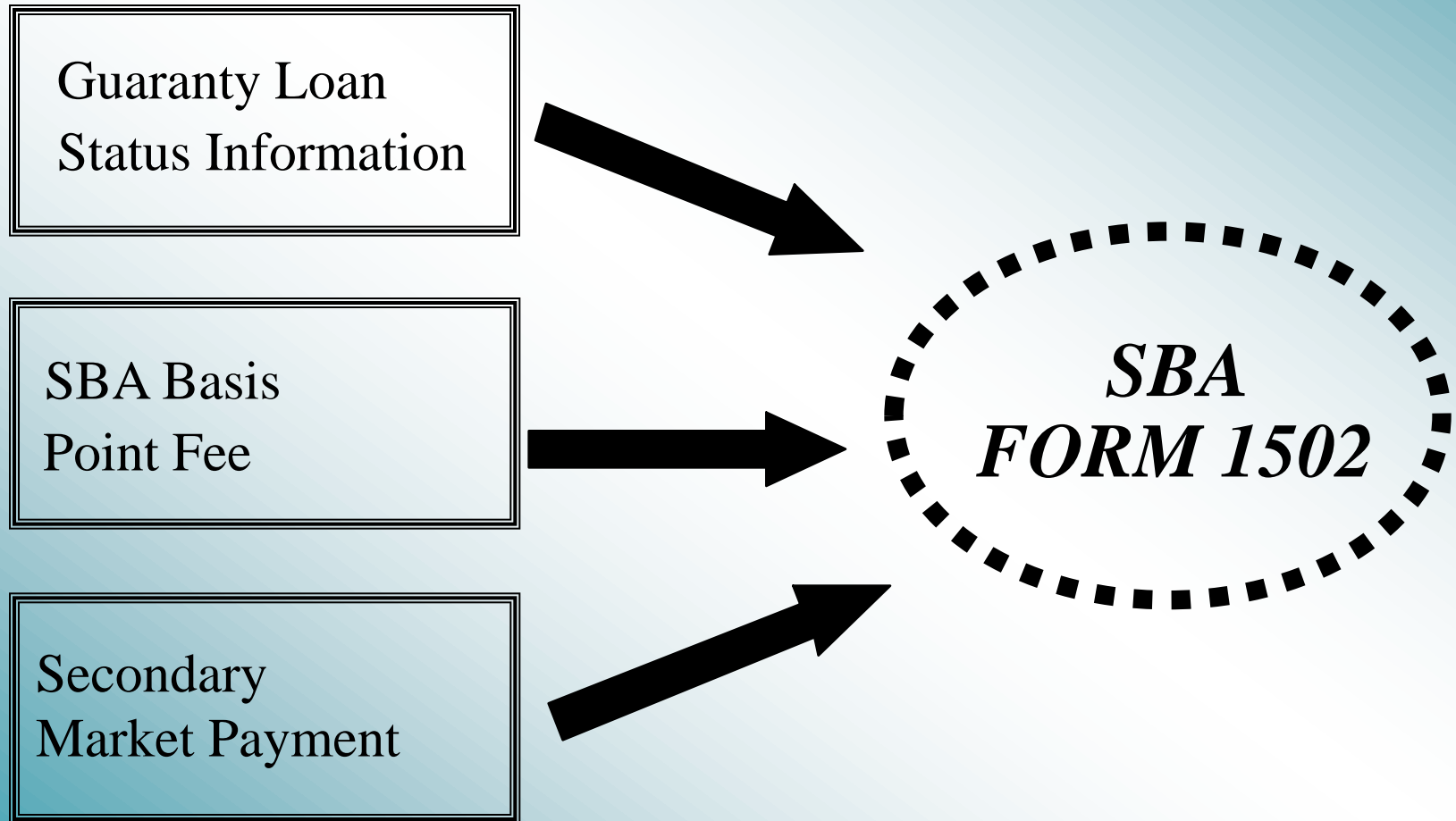
30th
SBA updates its database



30th
Colson generates loans
Unreported notices

SBA Form 1502

Reporting Components



OMB No.
Expiration Date

U.S. SMALL BUSINESS ADMINISTRATION

Check box if lender information reflects changes

Lender's Name:

Lender's City, State, Zip:

Contact Person's Telephone No.:

A

Lender's Street Address:

Lender's Contact Person:

Contact Person's Fax No:

Check box if secondary market payment reported is a late payment or prepayment

F
O
L
D

B

Month Ending: _____

SBA GP Number	Lender Loan Number	Next Installment Due Date	Status (4 - 9)	Amt Disbursed this Period on Total Loan	Amount Undisbursed on Total Loan	Interest Rate	Guar. Portion Interest	Guar. Portion Principal	Total to FTA Guar. Portion Pymt or Fee	Interest Period		# of Calendar Days	Guar. Portion Closing Balance	Remittance Penalty (if any)			
										From	To						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Total:										\$0.00	17					Total: \$0.00	
Grand Total:										\$0.00	19					18	
Check/Wire Amt:										\$0.00	20						

Status Codes

4 Deferred

5 In Liquidation

6 Paid-in-Full

7 Transferred

8 Purchased by SBA

9 Fully Undisbursed

SBA Form 1502 (4/96)



SBA's "Ongoing Servicing Fee"

Fee Rate Calculated by Lender on Guaranteed Portion	Affected Population
SBA 50 Basis Point Fee (.005)	○ 7(a) loans approved 10/12/95 thru 09/30/02
SBA 25 Basis Point Fee (.0025)	○ 7(a) loans approved 10/01/02 thru 04/04/04 ○ STAR loans
SBA 36 Basis Point Fee (.0036)	○ 7(a) loans approved 04/05/04 thru 09/30/04
SBA 50 Basis Point Fee (.005)	○ 7(a) loans approved 10/01/04 thru 09/30/05
SBA 54.5 Basis Point Fee (.00545)	○ 7(a) loans approved 10/01/05 thru 09/30/06
SBA 55 Basis Point Fee (.0055)	○ 7(a) loans approved 10/01/06 thru 09/30/07
SBA 49.4 Basis Point Fee (.00494)	○ 7(a) loans approved 10/01/07 thru 09/30/08
SBA 55 Basis Point Fee (.0055)	○ 7(a) loans approved 10/01/08 thru 09/30/13
SBA 52 Basis Point Fee (.0052)	○ 7(a) loans approved on or after 10/01/13 <u>AND</u> Gross Approval Amount > \$150,000
No Basis Point Fee	○ 7(a) loans approved on or after 10/1/13 <u>AND</u> Gross Approval Amount ≤ \$150,000 ○ ARC Loans
Fee calculated by Colson from the secondary market pass-through interest. Lenders do not remit separately.	○ Sold Loans [i.e. SBA 7(a) Secondary Market]

SBA's "Ongoing Servicing Fee" Calculations

Fully Disbursed Term Loan:

Guaranteed Opening Balance x Rate / Basis x # Days Interest

e.g., \$750,000 x .0055 (.0036) / 360 x 30 = \$343.75 (\$225.00)

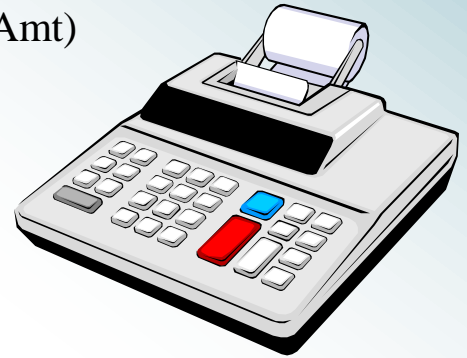
(Guar Opening Balance = Reported Guar Closing Balance + Guar Principle Amt)

Revolving Loan & Partially Disbursed

Term Loan:

Guaranteed Interest Rec'd x Rate / Interest %

e.g., \$3,281.25 x .0055 (.0036) / .0525 = \$343.75 (\$225.00)



Special Handling Reporting

Single & Multiple line entries

- ⊕ Loan subject to basis point fee
- ⊕ Loan was sold in the secondary market
- ⊕ Interest rate change effective during the period of the reported interest payment

Guar Service Status Code Reporting

- ⊕ Current business rules
- ⊕ Recommended best practices

Secondary Market Payoff

- ⊕ 1502 Reporting- payoff submission
- ⊕ 1502 Reporting- SBA system update

What if SBA Loan 1234567890 was a ... ?

U.S. SMALL BUSINESS ADMINISTRATION

Guaranty Loan Status & Lender Remittance Form

<input type="checkbox"/>	Check box if lender information reflects changes	F	<input type="checkbox"/>	Check box if secondary market payment reported is a late payment or prepayment
Lender's Name:	Main Street Bank	Lender's Street Address:	123 Main Street	
Lender's City, State, Zip:	Anytown, DC, 20000	Lender's Contact Person:	Joe Banker	
Contact Person's Telephone No.:	202-555-5555 x 123	Contact Person's Fax No:	202-555-5550	Month Ending: 03/31/04

		Next		Amt Disbursed	Amount				Total to FTA					Guar. Portion	Remittance	
SBA	Lender	Installment	Status	this Period	Undisbursed	Interest	Guar. Portion	Guar. Portion	Guar. Portion	Interest Period		# of	Calendar	Closing	Penalty	
GP Number	Loan Number	Due Date	(4 - 9)	on Total Loan	on Total Loan	Rate	Interest	Principal	Pymt or Fee	From	To	Days	Basis	Balance	(if any)	
1234567890	ABC123	04/01/04				6.75%	\$1,005.57	\$1,244.43	\$37.24	02/01/04	03/01/04	29	365	\$186,255.57		
Non-Secondary Market loan Subject to 25 Basis Point Fee																
1234567890	ABC123	04/01/04				5.00%	\$744.86	\$1,244.43	\$1,989.29	02/01/04	03/01/04	29	365	\$186,255.57		
Secondary Market loan retaining a 1.75% lender servicing fee																
1234567890	ABC123	04/01/04				6.75%	\$485.45	\$0.00	\$17.98	02/01/04	02/15/04	14	365	\$187,500.00		
1234567890	ABC123	04/01/04				5.00%	\$385.27	\$1,244.43	\$1,629.70	02/15/04	03/01/04	15	365	\$186,255.57		
Secondary Market loan settlement of 2/15/04																
								Total:	\$3,674.21					Total:	\$0.00	

Status Codes		
4	Deferred	7 Transferred
5	In Liquidation	8 Purchased by SBA
6	Paid-in-Full	9 Fully Undisbursed

Grand Total: \$3,674.21

Total to FTA + Penalty

Check/Wire Amt: \$3,674.21

OMB No.
Expiration Date

U.S. SMALL BUSINESS ADMINISTRATION

Guaranty Loan Status & Lender Remittance Form

☐ Check box if lender information reflects changes

Lender's Name: City Bank

Lender's Street Address: 6100 Main Street

Lender's City, State, Zip: Big City, NM 99999

Lender's Contact Person: Joe Banker

Contact Person's Telephone No.: 999-999-5555

Contact Person's Fax No: 999-999-5551

☐ Check box if secondary market payment reported is a late payment or prepayment

Month Ending: 04/30/00

SBA GP Number	Lender Loan Number	Next Installment Due Date	Status (4 - 9)	Amt Disbursed this Period on Total Loan	Amount Undisbursed on Total Loan	Interest Rate	Guar. Portion Interest	Guar. Portion Principal	Total to FTA Guar. Portion Pymt or Fee	Interest Period From To	# of Days	Calendar Basis	Guar. Portion Closing Balance	Remit. Penalty (if any)		
5423003005	516912	6/1/00	4						0.00		3/1/00		87,543.25			
A loan granted a deferment																
2667893007	657774		5					26,350.00	0.00		12/4/99		149,492.00			
A loan in liquidation (lender performing liquidation)																
9758353009	467331		6			10.625%	2,240.72	265,432.47	105.45	3/3/00	4/1/00	29	365	0.00		
A paid-in-full unsold loan subject to the 50 basis point fee																
8242473007	568543		7						0.00		4/2/00		225,000.00			
A loan transferred to another lender (bank transferring loan)																
4351473007	345621		8						0.00		4/12/00		135,675.00			
A loan purchased by the SBA																
1345673001	998765		9		451,250.00				0.00				0.00			
A fully undisbursed loan																
Total									105.45	Total						0.00
Grand Total										105.45						
Total to FTA + Penalty																
Check/Wire Amt:										105.45						

Status Codes

4 Deferred

5 In Liquidation

6 Paid-in-Full

7 Transferred

8 Purchased by SBA

9 Fully Undisbursed

SBA Form 1502 (10/99)

U.S. SMALL BUSINESS ADMINISTRATION

Guaranty Loan Status & Lender Remittance Form

☐ Check box if lender information reflects changes

☒ Check box if secondary market payment reported is a late payment or prepayment

Lender's Name: City Bank
Lender's Street Address: 6100 Main Street
Lender's City, State, Zip: Big City, NM 99999
Lender's Contact Person: Joe Banker
Contact Person's Telephone No.: 999-999-5555
Contact Person's Fax No: 999-999-5551

Month Ending: 04/1/01

SBA GP Number	Lender Loan Number	Next Installment Due Date	Status Code (4 - 9)	Amt Disbursed this Period on Total Loan	Amount Undisbursed on Total Loan	Interest Rate	Guar. Portion Interest	Guar. Portion Principal	Total to FTA Guar. Portion Pymt or Fee	Interest Period		# of Days	Calendar Basis	Guar. Portion Closing Balance	Remittance Penalty (if any)
										From	To				
1234567890	AB123					10.375	2,008.47	243,652.74	245,661.21	3/03/01	4/01/01	29	365	00.00	
A secondary market prepayment (separate SBA Form 1502)															
SBA Form 1502 due to Colson's Payoff Department at the time of secondary market payoff (do not report loan as a Status Code 6)															

Total: 245,661.21

Total: \$0.00

Status Codes	
4 Deferred	7 Transferred
5 In Liquidation	8 Purchased by SBA
6 Paid-in-Full	9 Fully Undisbursed

Grand Total: 245,661.21
Total to FTA + Penalty
Check/Wire Amt: 245,661.21

U.S. SMALL BUSINESS ADMINISTRATION

Guaranty Loan Status & Lender Remittance Form

☐ Check box if lender information reflects changes

☐ Check box if secondary market payment reported is a late payment or prepayment

Lender's Name: City Bank
Lender's Street Address: 6100 Main Street
Lender's City, State, Zip: Big City, NM 99999
Lender's Contact Person: Joe Banker
Contact Person's Telephone No.: 999-999-5555
Contact Person's Fax No: 999-999-5551

Month Ending: 04/30/01

SBA GP Number	Lender Loan Number	Next Installment Due Date	Status Code (4 - 9)	Amt Disbursed this Period on Total Loan	Amount Undisbursed on Total Loan	Interest Rate	Guar. Portion Interest	Guar. Portion Principal	Total to FTA Guar. Portion Pynt or Fee	Interest Period		# of Days	Calendar Basis	Guar. Portion Closing Balance	Remittance Penalty (if any)
										From	To				
1234567890	AB123		6					243,652.74			4/01/01			00.00	
Status reporting for a paid-in-full loan previously repurchased from the secondary market															
If a loan previously repurchased from the secondary market is paid-in-full, report the loan as a Status Code 6, guaranteed portion principal with an interest paid-to-date as of the payoff date and a guaranteed portion closing balance of \$0.00 on your next month-end SBA Form 1502															

Status Codes	
4 Deferred	7 Transferred
5 In Liquidation	8 Purchased by SBA
6 Paid-in-Full	9 Fully Undisbursed

Total:

Total: \$0.00

Grand Total:
Total to FTA + Penalty

Check/Wire Amt:

Exceptions and Discrepancies: Data Accuracy Reports

Report	Frequency	Method of Transmission	Summary
1502 Exception Report	Monthly	Auto Fax	Identifies 1502 data reported that did not pass SBA/Colson edit check.
Unreported Loans Report	Monthly	Auto Fax	Identifies loans that lenders did not report on in most recent 1502 cycle.
Fee Underpayment Invoices	Monthly	Mail	Identifies unsold loans where fee paid was less than fee computed.
Fee Overpaid Refunds	Monthly	Mail	Check and letter that returns fee overpayments on unsold loans.
Fee Variance Report	Quarterly	Web 1502 Connection	Identifies discrepancies or “gaps” in the fee payment history of unsold loans.
Discrepancy Letters	Monthly	Auto Fax	Identifies sold loans where guaranteed balance and/or interest paid to date is not in agreement between Lender and FTA.
Late Remittance Penalty Letters	Monthly	Mail	Identifies secondary market payments remitted late by the Lender.

Lender Exception Report Error Corrections

- ⊕ Lender Exception Reports are faxed to lenders the night the matched/proven 1502 is processed
- ⊕ Lender responses are due upon receipt and 1502 data corrections should be provided on the turnaround Lender Exception Report
- ⊕ 1502 data errors can only be corrected with Colson during the month that they are incurred
- ⊕ 1502 data elements that are used for the on-going fee calculation cannot be updated after the 19th of each month
 - Guaranteed Closing Balance; Calendar Basis; # of Days; Guaranteed Interest; Guaranteed Principle; Interest Rate

Unreported Loans Report

Action Steps

- ⊕ Types of actions lender may take for Unreported Loans
 - Cancelled loans must be updated directly with SBA. Lenders have this ability through ETran – Servicing. Loans cannot be cancelled through the SBA Form 1502 reporting or Colson
 - Colson cannot mark a loan as PIF. If applicable, lenders must submit another 1502 with (GSS) Status Code 6; Guaranteed Portion Principal; Interest Paid To Date; Guaranteed Portion Closing Balance of \$0.00.
 - Active loans must be added to the next 1502 and reported monthly thereafter
- ⊕ Unreported Loans Reports are sent at the end of each calendar month in advance of the next 1502 established due date. The lender can then work with Colson Client Service to “catch-up” any prior fees due SBA.

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With over 17 years experience serving the Federal government, Colson delivers customized servicing and technology solutions to government agencies looking to administer their credit programs.



- Agent Services
- Loan Services
- Data Exchange Services

UPDATE

- ✓ [Form 1502 Reporting Instructions for ARC Loans](#)
- ✓ [SBA 7\(a\) and 504 Loan Programs - Paid Off Loans](#)
- ✓ [Notice of Change to the Secondary Market Loan Pooling Program](#)
- ✓ [Important Notice for Depositary Receipt Series C](#)
- ✓ [USDA Rural Development and Colson sign agreement for B&I program](#)
- ✓ [Web Site Quick Tips](#)

1502 Reporting

**Experience the new
LoanLIST**

Factor Pages

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Data Exchange:

7(a) Web site Facilities

www.colsonservices.com



- ✦ **Customer Service Online Request (CSOR)** – An online facility that allows SBA 7(a) clients to generate formal correspondence with Colson Client Service.
- ✦ **1502 Connection** – Access SBA 7(a) loan information and execute online monthly 1502 reporting for SBA 7(a) lenders.
- ✦ **Settlements Express** – Colson's web based settlement processing system. Provides the ability to data enter new information, edit data and browse all loans in a lender's or investor's portfolio.
- ✦ **LoanList** – View secondary market loan data and payment transaction histories for authorized SBA and USDA secondary market investors and lenders.

Data Exchange: Electronic Media Submission

Method

1502 Connection

Colson Website



Send Electronic Media To:

www.colsonservices.com

E-mail



1502@colsonservices.com



Colson Client Service

Toll Free:

1-877-245-6159



E-mail:

info@colsonservices.com

